

DOE awards River Corridor Contract

A contract designed to accelerate risk reduction and closure of the 210-square-mile Columbia River corridor of the Hanford Site has been awarded to Washington Closure Company, according to an April 25 announcement by Deputy Secretary of Energy Kyle McSllarrow. Washington Closure Company, with headquarters in Boise, Idaho, is a partnership of Washington Group International, Fluor Federal Services and Earth Tech.

Deputy Secretary McSllarrow lauded the approach being taken under the new contract, which is designed to increase competition, pay only for results, and provide incentives for the contractor to finish cleanup work ahead of schedule and under budget.

"This action supports President Bush's call for accelerated cleanup of legacy waste," McSllarrow said. "Under Secretary Abraham's leadership, this is another significant step DOE is taking to demonstrate its commitment to accelerating environmental cleanup at Hanford."

The River Corridor Closure Contract replaces work currently being done by the Environmental Restoration Contractor team, led by Bechtel Hanford, and the 300 Area decontamination and decommissioning work led by Fluor Hanford.

"I'm extremely proud of the work done by the ERC team over the last nine years," said Bechtel Hanford President Mike Hughes. "They have consistently delivered outstanding cleanup progress at Hanford ahead of schedule and under budget. Hanford's landscape and skyline are far different than they were nine years ago. They made good on our commitment of 'Progress as Promised.'"

The contract is structured in two phases. The first phase, to be completed in eight years, includes placing three defunct plutonium production reactors into Interim Safe Storage ("cocooning"), demolishing reactor-area structures, remediating 269 waste sites and 46 burial grounds, and taking down surplus buildings. The contract includes an unpriced option for performance of the second phase, which includes cocooning three additional reactors, remediating four burial grounds and 240 waste sites, and demolishing 218 surplus facilities.



During the recent visit of Deputy Secretary Kyle McSllarrow to Hanford, DOE officials and Hanford contractor personnel got a rare view from the top of F Reactor, where "cocooning," or Interim Safe Storage, is scheduled to be completed this year. On April 25, McSllarrow announced that a \$1.05 billion contract for reactor cocooning and other cleanup work in Hanford's river corridor has been awarded to Washington Closure Company, a partnership of Washington Group International, Fluor Federal Services and Earth Tech. The company will begin its transition immediately and will formally take over the River Corridor Closure Project on July 24.

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Except for two burial grounds requiring special handling capabilities, and continuing groundwater remediation and monitoring, the two phases of the contract will complete Hanford's cleanup of the river corridor and shrink active Hanford cleanup operations to just 75 square miles in the center of the site.

Washington Closure Company has committed to completing the first phase of the workscope for \$1.05 billion. For every dollar the work comes in under that "target cost," the company will receive \$.30 in additional fee. For every dollar in increased expense, the company will lose \$.20 of its fee. The company submitted a proposal that features innovative techniques to clean up and restore the site while aggressively cutting the cost to the government. Its proposal was chosen for both its technical advantages and its low costs, according to McSarrow.

"Our Washington Group partnership provides the experience, framework and strength necessary to accelerate cleanup at the Hanford Site for the benefit of DOE and the taxpayers," said Stephen Hanks, president and chief executive officer of Washington Group.

"This contract makes real our commitment to accelerate risk reduction and cleanup of the Columbia River corridor," said Jessie Roberson, DOE assistant secretary for Environmental Management. "Its award follows the schedule and scope outlined in the Department's Performance Management Plan for Hanford, and furthers DOE's significant contract-reform goals. It's the right contract to meet the expectations of the citizens, regulators and stakeholders of Washington State, and a great deal for the taxpayers of this nation." ■